

CANADA STEAMSHIP LINES

LIMITED

ANNUAL REPORT
1931

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MCGILL UNIVERSITY

CANADA STEAMSHIP LINES, LIMITED

DIRECTORS

- A. J. BROWN, ESQ., K.C.
HON. J. P. B. CASGRAIN
GEO. CAVERHILL, ESQ.
W. H. COVERDALE, ESQ.
T. R. ENDERBY, ESQ.
J. H. FORTIER, ESQ.
GRANT HALL, ESQ.
F. J. HUMPHREY, ESQ.
J. W. McCONNELL, ESQ.
R. H. McMASTER, ESQ.
C. B. McNAUGHT, ESQ.
H. B. SMITH, ESQ.
C. E. TASCHEREAU, ESQ.
SIR HENRY W. THORNTON, K.B.E.
HON. SMEATON WHITE

EXECUTIVE OFFICERS

W. H. COVERDALE
President and Managing Director

A. J. BROWN, K.C.
Vice-President

T. R. ENDERBY
General Manager

J. I. HOBSON,
Treasurer

R. B. THOMSON,
Secretary

CANADA STEAMSHIP LINES LIMITED

TRANSFER AGENCIES

AT MONTREAL

Prudential Trust Company Limited	-	-	-	Transfer Agent
The Royal Trust Company	-	-	-	Registrar

AT TORONTO

Prudential Trust Company Limited	-	-	-	Transfer Agent
The Royal Trust Company	-	-	-	Registrar

AT LONDON, ENGLAND

Prudential Trust Company Limited	-	-	-	Transfer Agent
The Royal Trust Company	-	-	-	Registrar

CANADA STEAMSHIP LINES, LIMITED

To the Stockholders:—

YOUR Directors submit the Company's Eighteenth Annual Report and Statement of Accounts. The total revenue for 1931 amounted to \$9,558,809.25, a decrease of \$1,988,252.79 from the previous year due in a large measure to a further falling off in grain tonnage and in tourist passenger business.

The net earnings for the year, after providing for full depreciation on properties of subsidiary companies and interest obligations thereof, in amount of \$402,846.99, but before interest, bond discount and depreciation of the parent company, were \$1,467,673.59, a decrease of \$697,492.12 from the previous year; of which amount of net earnings there was required for bond interest the sum of \$1,201,421.44, and for other interest the sum of \$196,798.93, a total for interest charges of \$1,398,220.37, leaving a balance of \$69,453.22 for other corporate purposes.

Bond discount and reserve for depreciation of parent company amounted to \$1,379,915.29, an increase of \$6,142.59 over the previous year.

After all charges, bond discount and reserves for depreciation, etc., there was a deficit of \$1,310,462.07, an increase of \$652,670.07, over the previous year.

The above operations resulted in a cash income for the year, after all interest charges, of \$382,300.21, to which must be added proceeds of sales of property, etc., amounting to \$255,984.80, a total of \$638,285.01, thus providing funds for the retirement of steamer purchase contract notes in amount of \$40,000.00 and for the purchase and retirement of the Company's 5% Debenture Stock and 6% First Mortgage Gold Bonds through the operation of sinking funds in amount of \$578,350.35. The Company's bank loans were reduced during the year by \$250,000.

The Company's property has been maintained in sound physical condition; expenditures on capital account during the period under review amount to only \$36,425.27.

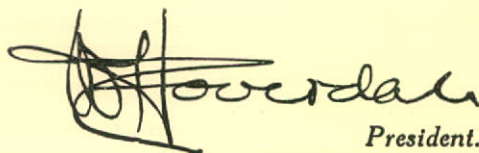
No dividends were paid during the year and the dividends on the Preference stock were in arrears in the amount of nine per cent, or \$1,350,000, as at December 31, 1931.

The Company's total freight traffic amounted to 4,267,000 tons, a decrease of 492,500 tons from the previous year. Due to extremely low water the Company's steamers were restricted to a draft of eighteen feet on the Lakes and in the New Welland Ship Canal, and to a draft of thirteen feet six inches in the St. Lawrence Canals, which seriously affected their earning power. The Company carried a total of 514,000 passengers, a decrease of 118,000 after eliminating Montreal-Longueuil ferry service, now discontinued.

The net cost of Foreign exchange during the year was \$87,972.33.

The fleet now consists of one hundred and three steamships, of which eighty-five are freight and eighteen are passenger steamships.

Respectfully submitted,



President.

Montreal, March 2, 1932.

CANADA STEAMSHIP LINES, LIMITED

CONSOLIDATED

As at 31st Dec

ASSETS

Fixed Assets:

Vessels, Real Estate, Buildings, Docks and Wharves, Plant and Equipment and Miscellaneous.....	\$57,602,247.47
Less Reserve for Depreciation.....	17,799,285.17

39,802,962.30

Deferred Payments on Properties Sold.....	21,227.81
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Current Assets:

Cash in Banks and on Hand.....	\$ 476,946.76
Accounts Receivable, less Reserve for Doubtful Accounts.....	691,460.16
Adjusted Losses due by Underwriters.....	38,478.90
Insurance and Other Claims, Estimated Amount Recoverable.....	50,621.55
Interest Receivable Accrued.....	3,552.94
Guarantee Deposit on Contract.....	52,815.00
Inventories of Stores and Supplies and Work in Progress (at Cost or Market whichever is lower).....	1,214,363.82
	2,528,239.13
Prepaid Expenses.....	238,652.83
Investments, Less Reserve.....	186,564.64
Insurance Investment Fund.....	120,588.98
Funds deposited with Trustees for Mortgage Bonds and Debenture Stock.....	310.87
	42,898,546.56
Bond Discount and Expense.....	1,283,674.82
Deficit.....	597,267.13

\$44,779,488.51

We have examined the books and accounts of Canada Steamship Lines Ltd. and its subsidiary Companies for 1932. We have to report that we have obtained all the information and explanations which we have required in accordance with the provisions of the Companies Act and that the Profit and Loss Account are properly drawn up so as to exhibit a true and correct view of the Companies' affairs according to the best of our information and the explanations given to us, and as shown by the books of the Companies.

Montreal, P.Q., 29th February, 1932.

0, AND ITS SUBSIDIARY COMPANIES

BALANCE SHEET

December, 1931

LIABILITIES

Capital Stock:

Authorized:

150,000 Shares, 6% Cumulative Preference Stock
(Participating)..... \$15,000,000.00
125,000 " Common Stock of no par value....

Issued:

150,000 " 6% Cumulative Preference Stock
(Participating)..... \$15,000,000.00
120,000 " Common Stock of no par value..... 3,084,523.11

Funded Debt:

5% Debenture Stock and/or Bonds..... 2,497,157.82
6% First and General Mortgage Gold Bonds..... 17,666,000.00
6% Twenty Year First Mortgage Gold Bonds—
Kingston Elevator Co. Ltd. 1,500,000.00
21,663,157.82

Current Liabilities:

Bank Loans..... 2,750,000.00
Notes Payable..... 40,004.00
Accounts Payable..... 1,241,117.34
Accrued Charges..... 333,188.09
4,364,309.43

Reserves:

For Freight Claims..... 30,000.00
" Insurance Losses..... 553,762.30
Surplus from Purchase of Debenture Stock and
Bonds..... 83,735.85
667,498.15

Contingent Liability:

Notes Receivable Discounted..... 40,036.00

Note:—Preference Stock Dividends in Arrears..... 1,350,000.00

\$44,779,488.51

Approved on behalf of the Board:

W. H. COVERDALE }
SMEATON WHITE } *Directors.*

the year ended 31st December, 1931.

in accordance with the provisions of the Companies Act (Dominion) and that, in our opinion, the above Consolidated Balance Sheet
affairs, on a consolidated basis, as at 31st December, 1931, and of their combined operations for the year ended at that date,

PEAT, MARWICK, MITCHELL & CO.,
Chartered Accountants.

CANADA STEAMSHIP LINES, LIMITED

AND ITS SUBSIDIARY COMPANIES

PROFIT AND LOSS ACCOUNT

For the Year ended 31st December 1931

Operating Revenue:	
Vessels.....	\$ 8,583,506.95
Docks and Wharves.....	647,123.96
Miscellaneous.....	293,678.12
	<u>9,524,309.03</u>
Other Revenue.....	34,500.22
	<u>9,558,809.25</u>
Expenses.....	8,091,135.66
	<u>8,091,135.66</u>
Net Earnings.....	1,467,673.59
From which Deduct:	
Interest on Funded Debt.....	\$1,201,421.44
Other Interest.....	196,798.93
Reserved for Depreciation.....	1,262,339.89
Bond Discount and Expense Written Off.....	117,575.40
	<u>2,778,135.66</u>
Net Loss for Year.....	<u><u>\$1,310,462.07</u></u>

DEFICIT ACCOUNT

As at 31st December, 1931

Net Loss for Year ended 31st December, 1931.....	\$1,310,462.07
Deduct:	
Surplus as at 31st December, 1930.....	713,194.94
Deficit as at 31st December, 1931.....	<u><u>\$597,267.13</u></u>

PASSENGER SERVICE

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CANADA Steamship Lines offers a variety of delightful cruises, every one of which may be made a part of the 2,000 mile trip from Duluth, via Lakes Superior, Huron and Ontario and thence by way of the St. Lawrence River, to the head of navigation on the Saguenay, with only a short overland journey between Sarnia and Toronto. Thus you may enjoy the Seven Day Cruise from Detroit to Duluth and return, the trips from Toronto, Montreal or Quebec to the Saguenay, the thrilling all-day excursion of Shooting the Rapids, day and evening sails from Toronto upon Lake Ontario to Niagara River ports, and overnight trips to Rochester and the Thousand Islands. Truly a variety of invigorating water journeys to satisfy the longing to see new places and to enjoy ship-board life, according to the amount of money you wish to spend and the amount of time at your disposal. Prices are modest and run within the range of every purse.

...

ALL steamers of this company are luxuriously appointed and offer a distinguished cuisine; but

vessels vary according to the waters in which they navigate. On the Great Lakes we maintain a fleet of three giant liners, the S.S. "Noronic," "Hamonie" and "Huronie," which compare favorably with ocean-going ships. For shooting the rushing St. Lawrence Rapids we have two especially designed steamers, of light draft, which afford the utmost safety on this seemingly adventurous journey. The Saguenay service employs large steamers carefully designed to enable them to steam close in-shore, where the rugged grandeur of the coast may be seen to advantage. This factor is especially appreciated upon the beautiful waters of the Saguenay, where gigantic capes rise sheer from the depths to tremendous heights, and your ship passes within a stone's throw of their austere walls.

Whatever trip you may select, or if it be the entire long cruise, in which you change from one type of steamer to the next, you will find the same high standard of courteous service and anxious endeavour to make your holiday a complete success.

Automobiles carried on all steamers at very low rates.

The MANOIR RICHELIEU

UPON a terraced cliff, overlooking leagues of blue St. Lawrence, the Manoir Richelieu has easily the most gorgeous site of any resort hotel in Eastern Canada. The pine-crested mountain background sets off to full advantage its gray walls and weather-toned copper roof. It is indeed a seigniorial manor, yet large enough to house all the seigneurs of the north.

The utmost in luxurious appointment has been attained, with all decorations singularly in keeping with the spirit of French Canada. Every facility for sport is offered—a large outdoor swimming pool, en-tout-cas tennis courts, a stable

....Murray Bay

of saddle horses, an eighteen-hole golf course. The latter is one of the sportiest courses on the continent.

An exceptional cuisine under the direction of a justly celebrated chef caters to the inner man; house service is courteous and efficient. Rates are upon the American Plan with special rates to those who contemplate an extended visit. The Manoir is also well known as a treasure house of Canadiana, including early prints, lithographs and water colours, which are carefully catalogued and warrant the close attention of the connoisseur.

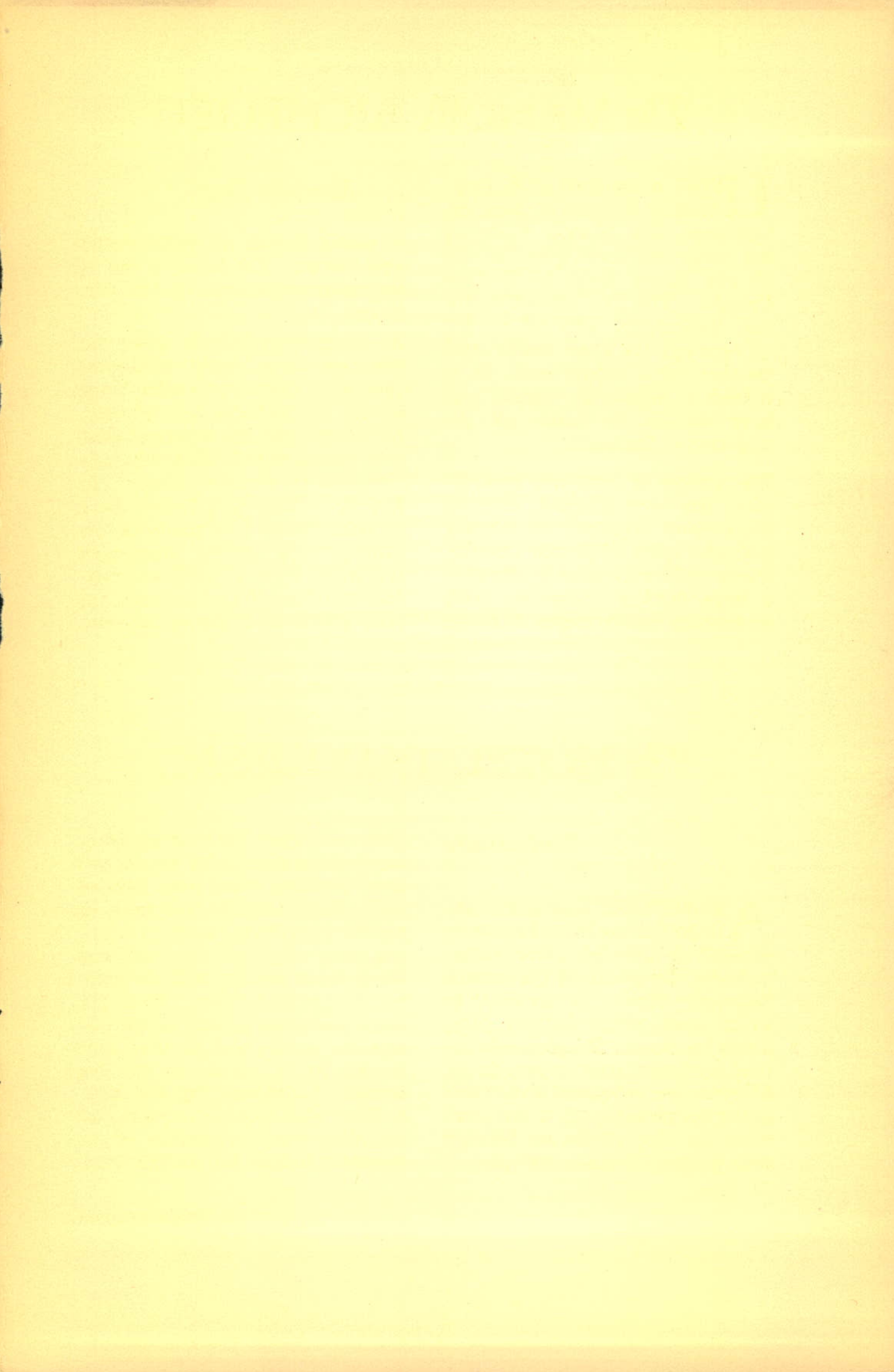
♦ ♦ ♦

The HOTEL TADOUSSAC

....Tadoussac

A HOMELIKE atmosphere distinguishes the Hotel Tadoussac situated at Canada's oldest settlement by the mouth of the famous Saguenay River. A crescent of white sand, where bathers play, fronts the hotel. Wooded hills extend northward from its very doors. Children are welcomed and thrive in the invigorating air, which combines the tang of the sea blended with fragrant balsam and pine.

Here you may play an excellent nine-hole course, enjoy tennis and lawn bowling, stroll over wooded trails, bathe, fish for sea trout or paddle your own canoe. Only a few miles inland lie seven wild and lovely lakes teeming with the gamest of speckled trout. Here the hotel maintains fishing camps and supplies guides and all the duffle needed for a sojourn in the big woods. Tadoussac, by the way, is filled with historic interest and contains many reminders of its romantic Indian fur trading days.



PACKAGE FREIGHT SERVICE

♦ ♦ ♦

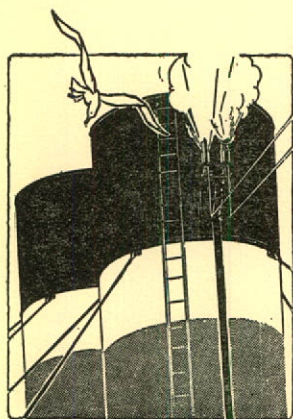
CANADA Steamship Lines maintains the most up-to-date package freight service on the St. Lawrence River and Great Lakes. Its ships are equipped with the most modern facilities, including elevators, for the careful handling of freight.

Be your commodities the most fragile or the most weighty they can be shipped and handled by us with safety and dispatch. Our ships carry every variety of goods into the heart of Canada's inland waters. They have transported

the cargoes from Australia's goodwill ship, have carried European grapes, wines and spices, packets of rich furs from Northern posts and the greatest diversification of shipments from all parts of the Empire to every port between the Saguenay River and Fort William and Port Arthur.

All steamers are operated on schedule, thus assuring prompt forwarding and delivery of merchandise. Direct connections are maintained with both rail and ocean freight services. Shippers who wish to take advantage of water rates will find considerable saving in transportation costs by routing goods

Via CANADA
STEAMSHIP LINES



The red, white and black funnel is the distinguishing mark of every steamship belonging to Canada Steamship Lines.

BRANCH OFFICES AND AGENCIES IN THE PRINCIPAL CITIES
OF CANADA AND THE UNITED STATES

EUROPEAN AGENT—

CANADA STEAMSHIP LINES (OVERSEAS) LIMITED
44 LEADENHALL, LONDON, E.C. 3, ENGLAND